Residential MORTGAGE, LLC
Mortgage License #100052
100 Calais Dr, Anchorage Alaska 99503

12/22/2009

Via E-Mail

Re: Docket Number R-1366

I respectfully submit these comments for consideration in the drafting of the new Reg Z (TILA) revisions.

First I like to state that I welcome any reg. Z revisions making the concept of APR more transparent and easier to understand for our consumers. An informed consumer is the best consumer.

With that, I like to draw your attention to several issues:

1. The proposed disclosures seem very difficult to produce and the review period adds additional wait time to a loan transaction. Often time is of the essence and those delays are actually costly for our customers.
2. We now have several disclosure forms (TILA, GFE, HUD1) with various definitions, delivery timeframes, re-disclosure requirements and tolerance levels. It would be more consumer-centric to align these requirements and provided a cohesive set of information to the consumer.
3. Loan Originator compensation is another area warranting some additional consideration. It goes without saying, consumers benefit from market competition driven quest for excellence amongst Loan Officers. To maintain that level of excellence to serve our customers, Loan Officers spent considerable time and resources in their professional development. By limiting the compensation structure it would also limit the underlying motivation for excellence. In short, the consumer looses under the guise of protection.
4. There would be no motivation to strive to find the best loan product, stay after hours, meet with customers over the weekend or spent countless hours resolving customer credit issues leading to an eventual closing of their loan. The customers most needing this additional attention are generally the first time home buyers and emerging market members. Again, the consumer loose under the guise of protection.
5. In the current compensation structure, the higher the loan amount, the higher the compensation for the Loan Originator. However it also means that in general the higher the loan, the higher the income bracket of the customer. If we now move to a flat fee, it is the higher earning segment of the home financing population who benefits. The first time home buyer might actually be faced with higher fees as the income loss on the higher loan amounts needs to be covered across all loans and

will need to be compensated with higher flat fees then the actual percent based fee might have been. Again the lower earning consumer looses for the sake of protection.

6. Excellent Loan Originator with the experience to guide customers to the best product for their financial needs will exit the market and migrate to other careers affording them income they are accustom to based on their skill set. The mortgage consumers will be left with the remaining mediocrity.
7. The proposed changes regarding steering seem vague and difficult to interpret with any certainty. It might be best to completely eliminate those changes.

Thank you in advance for your time and consideration of the professional in the mortgage industry.

Respectfully

Hilde Stapgens, CMB
Loan Originator (LO license 100002)